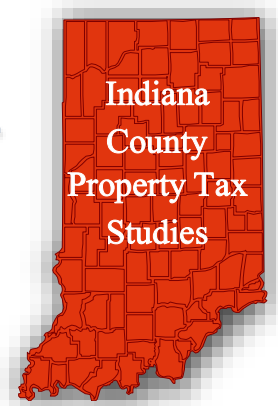


2013 Newton County Property Tax Report with Comparison to 2012

Legislative Services Agency

October 2013



This report describes property tax changes in Newton County between 2012 and 2013.

Property tax changes in 2013 were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. However, three statewide trends affected a large number of counties.

- First, pay-2013 was a statewide reassessment year. In past reassessments there were double-digit percentage increases in assessed values, but this time assessments were almost unchanged statewide. The difference was trending, which has been adjusting assessments annually since 2007. Few counties experienced large assessment increases in 2013. Many experienced assessment decreases.
- Second, farmland assessments continued to rise, with the base rate of an acre increasing 8.7% from \$1,500 to \$1,630. High commodity prices and low interest rates were the reason. Rising farmland assessments were especially important in rural counties, where farmland is a larger part of total assessed value.
- Third, many local income tax credit rates increased substantially. This was due to a corrected distribution of local income tax revenues to local governments. Extra income tax revenue was applied to tax credits in 2013. This may mean that credit rates will fall (and tax bills will rise) in 2014.

Still, local factors were most influential in individual counties in 2013. Here is what affected taxes in Newton County.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2013	-0.5%	\$15,992,356	\$816,668,324	2.1%
Change		0.9%	4.4%	
2012	4.0%	\$15,845,206	\$782,169,960	2.4%

Comparable Homestead Property Tax Changes in Newton County

The total tax bill for all taxpayers in Newton County decreased slightly, by 0.5% in 2013. This reflects the small 0.9% increase in the total tax levy and a certified net assessed value that rose more than billed AV. Certified net assessed value rose by 4.4% in this reassessment year. Because certified net assessments rose more than levies, tax rates fell, and this reduced tax cap credits as a share of the levy from 2.4% in 2012 to 2.1% in 2013.

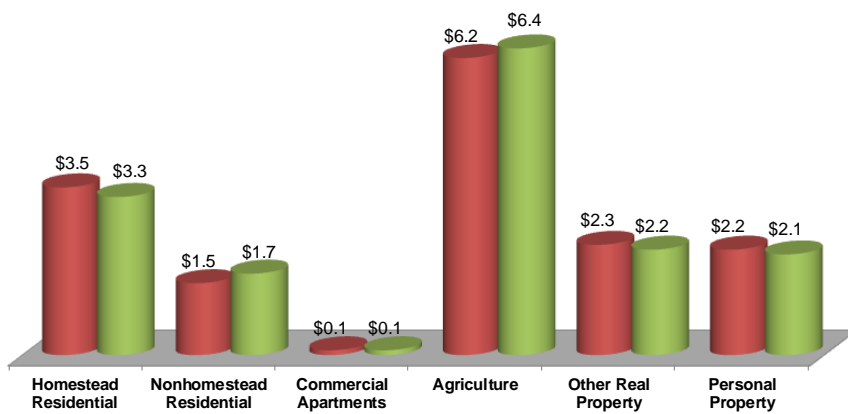
Newton County homeowners experienced a 4.8% decrease in property tax bills in 2013. This was due to a decrease in property tax rates and a decline in homestead net assessed value. Statewide, the average homeowner's tax bill was almost unchanged.

	2012 to 2013	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	1,568	38.1%
No Change	142	3.4%
Lower Tax Bill	2,408	58.5%
Average Change in Tax Bill	-4.8%	
Detailed Change in Tax Bill		
20% or More	367	8.9%
10% to 19%	359	8.7%
1% to 9%	842	20.4%
-1% to 1%	142	3.4%
-1% to -9%	1,142	27.7%
-10% to -19%	767	18.6%
-20% or More	499	12.1%
Total	4,118	100.0%

Note: Percentages may not total due to rounding.

Comparison of Net Property Tax by Property Type (In Millions)

■ 2012 - Total \$15.8 ■ 2013 - Total \$15.8



In Newton County most net property taxes were paid by agriculture and business (other real and personal) property owners in 2013. Total net property taxes decreased 0.5%, compared to an average 2.1% increase statewide. Nonhomestead residential property experienced the biggest increase, while commercial apartment net taxes had the largest percentage decrease.

Property tax rates decreased in all but one of the 15 Newton County tax districts in 2013. The average tax rate fell by 3.3% because a small levy increase was offset by a larger increase in certified net assessed value. Statewide, the average tax rate increased by 4.2%.

The total levies of all government units in Newton County increased by 0.9%, compared to a 3.7% statewide levy increase. Detailed levy changes for local governments in Newton County are included in a later table.

Property Type	Gross AV Pay 2012	Gross AV Pay 2013	Gross AV Change	Net AV Pay 2012	Net AV Pay 2013	Net AV Change
Homesteads	\$449,456,100	\$433,604,900	-3.5%	\$172,418,548	\$163,829,285	-5.0%
Other Residential	82,324,900	93,222,100	13.2%	80,714,490	91,220,212	13.0%
Ag Business/Land	333,148,700	358,943,900	7.7%	331,215,950	357,092,403	7.8%
Business Real/Personal	247,838,446	238,407,404	-3.8%	214,064,868	209,204,394	-2.3%
Total	\$1,112,768,146	\$1,124,178,304	1.0%	\$798,413,856	\$821,346,294	2.9%

Net AV equals gross AV less deductions and exemptions. Certified net AV is set with the budget, certified by the county auditor and used to calculate tax rates. It may be adjusted by the auditor to account for appeals. Net AV in the above table is summed from tax bills. It includes TIF allocations while Certified net AV does not. Gross AV also is summed from tax bills. Circuit breaker tax caps are calculated on gross AV.

Newton County's total billed net assessed value increased by 2.9% in 2013. Increases in agricultural and other residential assessments were the main reasons. Net assessed value for all of Indiana was nearly unchanged, rising by only 0.1%.

Tax Cap Category	2012	2013	Difference	% Change
1%	\$60,383	\$37,420	-\$22,963	-38.0%
2%	284,467	261,876	-22,591	-7.9%
3%	14,257	12,052	-2,205	-15.5%
Elderly	16,001	20,858	4,857	30.4%
Total	\$375,108	\$332,206	-\$42,902	-11.4%
% of Levy	2.4%	2.1%		

Total tax cap credits in Newton County were \$332,206, which was 2.1% of the levy. This was less than the state average of 10.9% and less than the median or typical county percentage of 4.2%. Tax rates were the main determinant of tax cap credits. Newton County's average tax rate was less than the median rate

statewide. Most of the tax cap credits in Newton County were in the 2% nonhomestead residential/farmland category. A later table shows tax cap credits by category for each local government unit.

Tax cap credits in Newton County decreased \$42,902 between 2012 and 2013. Credits as a share of the total levy fell to 2.1% in 2013 from 2.4% in 2012.

Newton County Levy Comparison by Taxing Unit

Taxing Unit	2009	2010	2011	2012	2013	% Change			
						2009 - 2010	2010 - 2011	2011 - 2012	2012 - 2013
<i>County Total</i>	12,995,535	15,150,257	15,357,524	15,845,206	15,992,356	16.6%	1.4%	3.2%	0.9%
Newton County	4,846,003	4,927,018	5,212,760	5,401,666	5,428,395	1.7%	5.8%	3.6%	0.5%
Beaver Township	148,771	150,820	155,147	162,419	163,616	1.4%	2.9%	4.7%	0.7%
Colfax Township	6,992	6,948	6,904	6,607	6,590	-0.6%	-0.6%	-4.3%	-0.3%
Grant Township	35,542	36,475	37,465	37,275	33,088	2.6%	2.7%	-0.5%	-11.2%
Iroquois Township	36,888	37,614	38,737	39,991	39,811	2.0%	3.0%	3.2%	-0.5%
Jackson Township	18,122	18,451	18,994	19,668	0	1.8%	2.9%	3.5%	-100.0%
Jefferson Township	79,311	81,539	83,665	76,848	77,890	2.8%	2.6%	-8.1%	1.4%
Lake Township	177,839	180,840	186,220	185,965	184,241	1.7%	3.0%	-0.1%	-0.9%
Lincoln Township	138,533	141,293	142,884	146,029	147,496	2.0%	1.1%	2.2%	1.0%
McClellan Township	22,832	23,259	24,077	25,171	15,025	1.9%	3.5%	4.5%	-40.3%
Washington Township	31,594	32,018	33,094	33,373	32,961	1.3%	3.4%	0.8%	-1.2%
Brook Civil Town	217,253	221,338	230,259	238,046	238,316	1.9%	4.0%	3.4%	0.1%
Goodland Civil Town	245,447	247,004	197,485	200,848	239,279	0.6%	-20.0%	1.7%	19.1%
Kentland Civil Town	414,262	401,101	427,547	420,675	442,326	-3.2%	6.6%	-1.6%	5.1%
Morocco Civil Town	200,385	201,791	202,680	218,577	213,855	0.7%	0.4%	7.8%	-2.2%
Mt. Ayr Civil Town	11,349	11,436	11,867	11,899	11,782	0.8%	3.8%	0.3%	-1.0%
North Newton School Corp	2,998,555	4,460,413	4,370,886	4,367,419	4,591,068	48.8%	-2.0%	-0.1%	5.1%
South Newton School Corp	2,049,095	2,802,979	2,713,965	2,859,661	2,743,153	36.8%	-3.2%	5.4%	-4.1%
Brook Public Library	198,401	200,170	209,348	218,591	217,967	0.9%	4.6%	4.4%	-0.3%
Goodland Public Library	87,938	88,833	91,929	96,544	97,157	1.0%	3.5%	5.0%	0.6%
Kentland Public Library	212,286	208,241	212,472	233,791	231,722	-1.9%	2.0%	10.0%	-0.9%
Newton County Public Library	818,137	670,676	749,139	844,143	836,618	-18.0%	11.7%	12.7%	-0.9%
Northwest Indiana Solid Waste Mgmt Dist	0	0	0	0	0				

Newton County 2013 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

			Credit Rates						Net Tax Rate, Homesteads
Dist #	Taxing District	Tax Rate	LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
56001	Beaver Township	2.0951	--	--	--	--	--	--	2.0951
56002	Morocco Corp (Beaver)	2.8169	--	--	--	--	--	--	2.8169
56003	Colfax Township	1.8033	--	--	--	--	--	--	1.8033
56004	Grant Township	1.6537	--	--	--	--	--	--	1.6537
56005	Goodland Corp (Grant)	2.5921	--	--	--	--	--	--	2.5921
56006	Iroquois Township	1.7126	--	--	--	--	--	--	1.7126
56007	Brook Corp (Iroquois)	3.2779	--	--	--	--	--	--	3.2779
56008	Jackson Township	1.7942	--	--	--	--	--	--	1.7942
56009	Mount Ayr Corp (Jackson)	2.5938	--	--	--	--	--	--	2.5938
56010	Jefferson Township	1.7528	--	--	--	--	--	--	1.7528
56011	Kentland Corp (Jefferson)	2.3873	--	--	--	--	--	--	2.3873
56012	Lake Township	1.9901	--	--	--	--	--	--	1.9901
56013	Lincoln Township	1.8935	--	--	--	--	--	--	1.8935
56014	McClellan Township	1.8353	--	--	--	--	--	--	1.8353
56015	Washington Township	1.7083	--	--	--	--	--	--	1.7083

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Newton County 2013 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	37,420	261,876	12,052	20,858	332,206	15,992,356	2.1%
<i>TIF Total</i>	0	0	0	0	0	7,135	0.0%
<i>County Total</i>	37,420	261,876	12,052	20,858	332,206	15,999,491	2.1%
Newton County	9,822	64,072	2,444	6,331	82,670	5,428,395	1.5%
Beaver Township	416	6,959	0	93	7,468	163,616	4.6%
Colfax Township	0	0	0	2	2	6,590	0.0%
Grant Township	12	465	0	21	498	33,088	1.5%
Iroquois Township	148	911	137	70	1,266	39,811	3.2%
Jackson Township	0	0	0	0	0	0	
Jefferson Township	47	406	0	61	513	77,890	0.7%
Lake Township	565	0	0	295	860	184,241	0.5%
Lincoln Township	249	0	0	271	520	147,496	0.4%
McClellan Township	0	0	0	1	1	15,025	0.0%
Washington Township	0	0	0	13	13	32,961	0.0%
Brook Civil Town	6,316	38,821	5,845	1,097	52,079	238,316	21.9%
Goodland Civil Town	348	14,016	0	632	14,997	239,279	6.3%
Kentland Civil Town	1,483	12,852	0	951	15,286	442,326	3.5%
Morocco Civil Town	2,245	21,845	0	630	24,720	213,855	11.6%
Mt. Ayr Civil Town	0	1,384	0	219	1,603	11,782	13.6%
North Newton School Corp	7,968	37,353	0	5,297	50,617	4,591,068	1.1%
South Newton School Corp	5,254	46,760	3,001	3,248	58,262	2,743,153	2.1%
Brook Public Library	676	4,157	626	280	5,739	217,967	2.6%
Goodland Public Library	46	1,837	0	83	1,966	97,157	2.0%
Kentland Public Library	373	3,232	0	297	3,903	231,722	1.7%
Newton County Public Library	1,452	6,807	0	965	9,224	836,618	1.1%
Northwest Indiana Solid Waste Mgmt Dist	0	0	0	0	0	0	
TIF - Better Coil Economic Dev	0	0	0	0	0	7,135	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.